

Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council establishing a system for greenhouse gas emission allowances trading within the Union (Text with EEA relevance)

## CHAPTER IV

### ACCESS TO THE AUCTIONS

#### *Article 21*

#### **Refusal, revocation or suspension of admission**

[<sup>F1</sup> An auction platform appointed pursuant to Article 26(1) or 30(1) shall refuse to grant admission to bid in its auctions, revoke or suspend any admission to bid already granted to any person who:

- a is not or is no longer eligible to apply for admission to bid under Article 18(1) or (2);
- b does not or no longer meets the requirements of Articles 18, 19 and 20;
- c is wilfully or repeatedly in breach of this Regulation, the terms and conditions of its admission to bid in the auctions conducted by the auction platform concerned or any other related instructions or agreements.

2 An auction platform appointed pursuant to Article 26(1) or 30(1) shall refuse to grant admission to bid in its auctions, revoke or suspend any admission to bid already granted, if it suspects money laundering, terrorist financing, criminal activity or market abuse in relation to an applicant, provided that such refusal, revocation or suspension is unlikely to frustrate efforts by the competent national authorities, to pursue or apprehend the perpetrators of such activities.

[<sup>F2</sup>In such a case, the auction platform concerned shall report to the financial intelligence unit referred to in Article 32 of Directive (EU) 2015/849 ('FIU') in accordance with Article 55(2) of this Regulation.]

3 An auction platform appointed pursuant to Article 26(1) or 30(1) may refuse to grant admission to bid in its auctions, revoke or suspend any admission to bid already granted, to any person:

- a who is negligently in breach of this Regulation, the terms and conditions of its admission to bid in the auctions conducted by the auction platform concerned or any other related instructions or agreements;
- b who has otherwise behaved in a manner that is prejudicial to the orderly or efficient conduct of an auction;
- c who is referred to in Article 18(1)(b) or (c) or Article 18(2) and has not bid in any auction during the preceding 220 trading days.]

4 Persons referred to in paragraph 3 shall be notified of the refusal to grant admission, or the revocation or suspension of admission, and be given a reasonable period, specified in the decision of refusal to admit, revocation or suspension of admission, to respond in writing.

After considering the person's written response, the auction platform concerned shall if warranted:

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*Status: Point in time view as at 31/12/2020.*

*Changes to legislation: There are outstanding changes not yet made to Commission Regulation (EU) No 1031/2010. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)*

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- a grant or reinstate admission with effect from a given date;
- b grant conditional admission or conditional reinstatement of admission subject to fulfilment of the specified conditions by a given date, which shall be duly verified by the auction platform concerned;
- c confirm the refusal to grant admission, the revocation or suspension of admission with effect from a given date.

The auction platform shall notify the person in question of its decision.

5 Persons whose admission to bid is revoked or suspended pursuant to paragraphs 1, 2 or 3 shall take reasonable steps to ensure that their removal from the auctions:

- a is orderly;
- b does not prejudice the interests of their clients or interfere with the efficient functioning of the auctions;
- c does not affect their obligations to comply with any payment provisions, the terms and conditions of their admission to bid in the auctions or any other related instructions or agreements;
- d does not compromise their obligations regarding the protection of confidential information pursuant to Article 19(3)(b)(ii) which shall remain in force for 20 years following their removal from the auctions.

The refusal to grant admission, the revocation or suspension of admission, referred to in paragraphs 1, 2 and 3, shall specify any measures needed to comply with this paragraph and the auction platform shall verify compliance with such measures.

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#### **Textual Amendments**

- F1** Substituted by [Commission Regulation \(EU\) No 1210/2011 of 23 November 2011 amending Regulation \(EU\) No 1031/2010 in particular to determine the volume of greenhouse gas emission allowances to be auctioned prior to 2013 \(Text with EEA relevance\)](#).
- F2** Substituted by [Commission Delegated Regulation \(EU\) 2019/1868 of 28 August 2019 amending Regulation \(EU\) No 1031/2010 to align the auctioning of allowances with the EU ETS rules for the period 2021 to 2030 and with the classification of allowances as financial instruments pursuant to Directive 2014/65/EU of the European Parliament and of the Council \(Text with EEA relevance\)](#).

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